

AMENDMENTS TO
ARTICLE 7.6 OF CHAPTER 2 OF DIVISION 1 OF TITLE 2 OF THE
CALIFORNIA CODE OF REGULATIONS

§ 588.1 Risk Pools – Required Participation for Existing Contracting Agencies;
Effective Date for Mandated Benefits for New and Existing Contracting Agencies

Following the creation of risk pools pursuant to Section 20840 of the Government Code, any existing contracting agency with a rate plan of less than 100 active members on any annual actuarial valuation date shall be required to participate in a risk pool. Participation shall be effective as of that valuation date for all members of that rate plan, but no earlier than the June 30, 2003 actuarial valuation which will be used to set employer contribution rates for fiscal year 2005-2006. The effective date of a pool's mandated benefits pursuant to §20840 of the Government Code for contracting agencies who participate in a risk pool is the first day that the agency is required to pay for the mandated benefits.

NOTE: Authority cited: Sections 20120, 20121 and 20840, Government Code.
Reference: Section 20840, Government Code.

§ 588.2 Risk Pools – Required Participation for New Contracting Agencies

A new contracting agency with CalPERS following the creation of risk pools shall be required to participate in a risk pool if the number of active members in the rate plan is less than 100 at the time of the initial actuarial valuation provided that the actuary determines such participation will not be unfavorable to other agencies in the pool. In the event that such participation would be unfavorable, the matter may be referred to the CalPERS Board for a hearing.

NOTE: Authority cited: Sections 20120, 20121 and 20840, Government Code.
Reference: Section 20840, Government Code.